

Bingo and Breakopen **Bingo and Breakopen**

**Terms and
Conditions**

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Effective July 1, 2004

A. General Provisions

- (i) All Bingo and Breakopen events conducted in the Province of Manitoba must be licensed by the Manitoba Gaming Control Commission (Commission) or by another person or authority as named by the Lieutenant Governor in Council.
- (ii) The Commission may license charitable organizations and religious organizations to conduct Bingo and Breakopen events within the Province of Manitoba in accordance with Section 207 (1) (b) of the Criminal Code (Canada).
- (iii) All licensees must follow the requirements of The Gaming Control Act and Regulations, and these Bingo and Breakopen Terms and Conditions. The Commission can change any of the terms and conditions of a licence at its discretion, when appropriate.

B. Penalties

- (i) Every person or licensed organization that violates any term or condition of a Bingo or Breakopen licence or fails to conduct business in a manner approved by the Commission is subject to remedial action by the Commission.
- (ii) The Commission may suspend or cancel a licence without notice, at any time, for the breach of any terms and conditions or, if in the opinion of the Commission, it is in the public interest to do so.

Definitions

In these Terms and Conditions:

“Accumulator” means a Bingo game where the prize amount and/or maximum numbers allowed to complete the pattern grows at a specified rate under clearly stated conditions.

“Bingo” means a lottery scheme where a prize(s) is given away by selling Bingo product(s) to players, then randomly calling numbers that may appear on the Bingo product. To win, players complete a pre-determined pattern on the Bingo product using the numbers called. Winner(s) must meet the criteria stated in the House Rules.

“Bingo product” means a card(s), sheet(s) or booklet(s) of sheets consisting of rows and columns of numbers.

“Bingo event” means an event where Bingo games are played.

“Breakopen” means a lottery scheme where pre-determined prizes are awarded by selling a set or unit of covered tickets. The prize(s) is determined by the combination of symbols showing when the covering on the ticket is removed.

“Breakopen ticket” means a ticket printed with combinations of covered symbols.

“Breakopen event” means an event where Breakopen tickets are sold.

“Breakopen Unit” means a complete set of Breakopen tickets marked with the identical serial number.

“Game Program” means a complete listing of all Bingo games to be played during each Bingo event, including the criteria to win (pattern, etc.) and the prizes offered for each game.

“House Rules” are rules established by the licensee that describe required conduct of players and the conduct or operation of the event. All House Rules must comply with these Terms and Conditions.

“Progressive Games” means two or more Bingo games played on the same Bingo card(s) or sheet(s) with the same set of called numbers.

“Promotional Prize” means a prize of cash or merchandise being offered during a Bingo or Breakopen event which is not attached to the winning or playing of a specific game (e.g. door prize, Good Neighbour prize, King or Queen prize), and for which no fee is charged for the chance to win.

“Standard Rules of Play” are those established by the Commission as provided in Section 7 of these Terms and Conditions.

1. General

1.01

No person convicted of a criminal offence shall be involved in any way in a Bingo or Breakopen event if, in the opinion of the Commission, the integrity of the event could be compromised by that person's involvement.

1.02

The licensee must notify the Commission in writing about anything that has, is, or is likely to, compromise the honest conduct and management of the Bingo or Breakopen events.

1.03

The Commission or its representative(s) may, at any time before, during or after the Bingo or Breakopen events, audit or inspect anything related to the Bingo or Breakopen events. This includes, but is not limited to, buildings, expenses, recipients of funds, documents and records.

1.04

During an audit or inspection, the Commission or its representative(s) must be given free access at all times and shall be allowed to remove anything considered relevant to the audit or inspection.

1.05

Any person or entity who provides gaming services for remuneration to a licensee(s) may be required to be registered with the Commission.

2. Use of Funds

2.01

Funds generated from Bingo or Breakopen events must be used for the advancement of education, religion, health, the relief of poverty, or must benefit the community through the promotion of sport, recreation, culture, or any other area considered appropriate by the Commission.

2.02

An organization using Bingo or Breakopen funds to purchase, build or renovate real property shall ensure the proceeds from the subsequent sale, mortgaging or other disposition of that property (up to an amount equal to the value of funds raised by the Bingo or Breakopen events) are used for a charitable or religious purpose.

2.03

An organization using Bingo or Breakopen funds to purchase, build or renovate property owned by the applicant must have a “dissolution clause” that comes into effect should the organization fold or wind up its activities. This clause must be included as a specific provision for distribution of assets in the organization’s constitution and/or in the Articles of Incorporation, which ensures the organization’s assets are used for charitable purposes upon winding up.

2.04

An organization raising funds for a future capital project may place Bingo or Breakopen funds into an interest bearing investment or bank account until they have sufficient funds to begin the project. Special reporting will be required while those funds are invested outside of the organization’s Bingo or Breakopen bank account.

3. Fees and Expenses

3.01

Licensees must pay licence fees set by the Commission.

3.02

Bingo expenses must not exceed ten percent (10%) of gross Bingo revenue. Prizes, cost of product, licence fees and rent are not to be included within this 10% limit.

3.03

Breakopen expenses must not exceed 7.5% of gross Breakopen revenue. Prizes and cost of product are not included in this 7.5% limit. Rent paid to conduct Breakopen sales in premises that are publicly owned or owned by another charitable or religious organization is not included in this limit. Rent paid to conduct Breakopen sales in privately-owned or commercial premises must be included within the 7.5% expense limit.

3.04

A licensee owning the premises where their Bingo or Breakopen event takes place, must not deduct rent as an expense.

4. Licence Applications

4.01

An organization applying for a Bingo or Breakopen licence must provide all information required on the application form. In addition, the Commission may request any other information it feels is necessary.

4.02

An organization may hold, or participate in conducting, up to five (5) Bingo events per week.

4.03

A licensee may only hold Bingo events in:

- (a) publicly-owned premises;
- (b) premises owned by another charitable or religious organization; or
- (c) premises it owns;

provided that the premises referred to in (a), (b) and (c) are not primarily a business.

4.04

A licence to conduct Bingo or Breakopen events will generally be granted to a single organization. This organization must retain full responsibility for the operation of each Bingo or Breakopen event. Partnerships or associations of two or more licensable organizations will be considered.

4.05

An organization must ensure enough funds are available to award all prizes offered. The organization may be required to provide a prize guarantee in a form satisfactory to the Commission.

4.06

A licensee or licence applicant can ask, in writing, for an exemption from any term or condition. The applicant must satisfy the Commission that compliance with the term or condition would cause unreasonable hardship.

5. Product and Equipment

5.01

Bingo equipment must be in good working order and is subject to inspection and approval by the Commission.

5.02

All Bingo paper and Breakopen tickets must be purchased from the Manitoba Lotteries Corporation.

5.03

Bingo product and Breakopen tickets and supplies must be securely stored.

5.04

Tampering with Bingo product or Breakopen tickets is prohibited.

5.05

Bingo paper, sheets or booklets, must not be cut or altered in any way.

5.06

Bingo paper or Breakopen tickets must not be sold or exchanged between licensees.

5.07

Partial or opened Breakopen units must be held by the licensee for sale at their next licensed event.

5.08

Unsold or damaged Bingo paper and Breakopen tickets must not be disposed of without prior written approval from the Commission.

5.09

When a licence is suspended or cancelled by the Commission, all Bingo paper and Breakopen tickets will be confiscated by the Commission.

5.10

When a licence expires or is relinquished by the licensee, all Bingo paper and all unopened Breakopen units must be returned to the Manitoba Lotteries Corporation, unless otherwise approved by the Commission.

5.11

Multiple or discounted prices will only be allowed for Bingo paper or Breakopen tickets if a way of ensuring financial accountability is provided in writing by the applicant, and approved in writing by the Commission.

5.12

Only sealed Bingo paper may be sold for any game using pre-drawn numbers.

6. Conduct

6.01

A Bingo or Breakopen licence may not be, transferred, assigned, lent or borrowed.

6.02

The following must be posted at each Bingo event and Breakopen ticket sales location:

- a copy of the current licence;
- all posters provided by the Commission; and
- any other information required by the Commission.

6.03

Copies of the following must be provided to players at each event:

- the game program;
- House Rules, including those specified in 7.01; and
- the Standard Rules of Play (as set out in Section 7).

6.04

The approved application and these Terms and Conditions are part of the licence. Any change to a licence must be applied for and approved in writing by the Commission before implementing or advertising any such change. All amendments must be posted or available at each event.

6.05

Bingo and Breakopen events may only be held on the location(s), date(s) and time(s) specified in the application or approved amendment.

6.06

Accumulators must not be changed in any way, unless the changes are applied for in writing by the licensee and approved in writing by the Commission. Approved changes must be advertised to the public before the changes take place.

6.07

An organization planning to stop operating their Bingo for more than ninety (90) days must give away any existing accumulator at the last scheduled event before closing, unless otherwise approved by the Commission.

6.08

An organization planning to stop operating their Bingo or Breakopen events must notify the Commission in writing of:

- the last scheduled event date before closing; and
- the method of giving away accumulators.

6.09

Licensees must ensure advertising accurately reflects the licensed event and must include the organization's name and licence number. Advertising for prize(s) must identify any restrictions that apply.

6.10

Bingo product or Breakopen tickets must not be sold, nor Bingo events advertised outside Manitoba.

6.11

Licensees must not charge admission at Bingo events where Bingo paper is sold.

7. Standard Rules of Play

7.01

House Rules are part of the licence and must include:

- a) the minimum age limit to play Bingo;
- b) if volunteers, or other persons involved in the conduct or operation of the Bingo event, may or may not play;
- c) the criteria attached to the winning of any game or prize; and
- d) the time limit for cashing in winning Breakopen tickets.

7.02

House Rules must be applied in a way that is consistent with these Terms and Conditions. The Commission will interpret House Rules to be consistent with these Terms and Conditions.

7.03

Callers at a Bingo event may not play Bingo at any time during that event.

7.04

No one involved in the conduct or operation of a Breakopen event may purchase Breakopen tickets or communicate any information in any way that would give an advantage to any purchaser.

7.05

Individuals must be eighteen (18) years or older to sell, purchase or redeem Breakopen tickets.

7.06

Winning Breakopen tickets must only be cashed in by the licensed organization from which they were purchased.

7.07

Bingo balls must be displayed on the tray so that they can be inspected by any player before the start of play at each event.

7.08

Bingo paper must be marked in a way that:

- a) numbers can be read; and
- b) paper cannot be re-used.

7.09

Any requirement that a player must complete the pattern on the last number called to win a prize must be approved by the Commission and must be clearly stated in the House Rules.

7.10

The number on the Bingo ball must be called out by the caller before the ball is considered to be in play.

7.11

Players have the right to confirm the accuracy of the numbers called or displayed against the balls in the tray. If there is discrepancy, only the balls on the tray are considered correct.

7.12

When a player calls out “Bingo”:

- a) no further numbers will be called until all Bingos are checked; and
- b) the Bingo machine must be left on unless:
 - i) the ball funnel on the Bingo machine traps the last Bingo ball; or
 - ii) the Bingo caller captures the top ball.

7.13

To confirm that a player is a winner, the checker must move the Bingo sheet or card from in front of the player who has called out “Bingo” and place it so that it is visible to other players. Then the checker:

- a) calls out the covered numbers of the required pattern on the card or sheet to the caller; or
- b) calls out the control number in the centre (free space) of the sheet, if an electronic Bingo verifier is used.

7.14

After the sheet(s) or card(s) of any player(s) who called out “Bingo” has been checked and a winner(s) has been confirmed, the caller must clearly ask if anyone else has a Bingo to be checked and state that it is the last call. If no other player has a Bingo to be checked, the caller will clearly state that the game is closed and drop the balls.

7.15

Progressive games may be won in any order. The caller must keep the balls in the tray until the final progressive game has been closed.

7.16

For games with pre-called numbers:

- a) numbers must not be called before the start of the event; and
- b) balls must be available for confirmation until the conclusion of the game. A second Bingo machine or second set of balls must be used, unless another method for ensuring accountability has been approved in writing by the Commission.

8. Prizes and Winners

8.01

Bingo product or Breakopen tickets must not be awarded or given away as a bonus or prize, unless a way of ensuring financial accountability is approved by the Commission.

8.02

If there is more than one winner of a merchandise prize, the retail value of the prize must be paid out in equal shares to all winners, unless otherwise approved by the Commission.

8.03

Promotional prizes are allowed only if there is no charge for a chance to win. Licensees must not require patrons to purchase Bingo product or Breakopen tickets to be eligible to win promotional prizes.

8.04

Winning Breakopen ticket(s) must be defaced by the seller before paying out the prize. All paid out winning ticket(s) must be kept by the licensee until that entire Breakopen unit is sold and accounted for.

9. Records and Reporting

9.01

Complete Bingo and Breakopen records must be retained by the licensee. These records must include, but are not limited to, approved Bingo and Breakopen event reports and inventory control forms completed at the time of each event.

9.02

All records relating to the conduct and operation of Bingo or Breakopen events must be kept by the licensee for at least three (3) years after the expiration of the licence, unless otherwise approved in writing by the Commission.

9.03

Licensees must:

- a) maintain a separate bank account for the deposit of all Bingo and Breakopen revenue;
- b) deposit all Bingo and Breakopen revenue into the account immediately upon receipt; and
- c) pay out all donations and expenses by cheque directly from that account to the supplier of goods and services, or the charitable objectives as approved in the licence.

9.04

Promotional prizes must be reported as an expense. Donated prizes must be reported appropriately on event reports.

9.05

Licensees must submit required financial reports on approved forms. Reports must be complete and accurate and must include copies of all applicable bank statements.

9.06

Licensees must post reports of Bingo and Breakopen activity on approved forms as prescribed by the Commission.

9.07

Within sixty (60) days of the final event date an organization must:

- a) return all unused Bingo product and unopened Breakopen units to the Manitoba Lotteries Corporation;
- b) disburse all profits for the charitable objectives as approved in the licence; and
- c) submit a final report to the Commission;

unless otherwise approved by the Commission.

9.08

Licensees must give the Commission supporting documentation for the use of Bingo and Breakopen profits upon request. This documentation shall include, but is not limited to, invoice copies, receipts, and written acknowledgements from each recipient.

9.09

Upon written request from the Commission, the licensee must provide an independent audited financial statement or financial review of its Bingo or Breakopen operations.

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**Manitoba Gaming
Control Commission**

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